

Published: Feb. 27, 2015, *Kokomo Tribune* [Page: A1, jump to A12]

http://www.kokomotribune.com/news/fema-suspends-state-s-hazard-mitigation-funds/article_bc9853dc-be26-11e4-8240-a71558a3dc68.html

IDHS letter PDF: http://www.kokomotribune.com/idhs-letter/pdf_74809946-be27-11e4-ad64-53b8ff9db6ee.html



Tim Bath | Kokomo Tribune

STADIUM WORK CONTINUES: Work continues on the new baseball stadium between the Wildcat Creek, Union Street, Vaile Avenue and Apperson Way on Jan. 20.

FEMA suspends state's hazard mitigation funds

Cites Kokomo's lack of compliance with stadium

**By Rob Burgess
Kokomo Tribune**

The Federal Emergency Management Agency has suspended all hazard mitigation grant awards to the state of Indiana due to unresolved compliance issues with Kokomo's baseball stadium project, according to a press release issued late Thursday by the Indiana Department of Homeland Security.

The IDHS currently has about \$5.5 million in mitigation grant funds that will be affected by FEMA's decision. As long as FEMA's decision stands, and Kokomo's stadium compliance issues linger, Indiana will not be eligible for future hazard mitigation funding, which could result in millions of additional lost grant funding to Indiana cities and counties. IDHS is currently managing \$50 million in hazard mitigation funded projects. Because these funds are already committed, they are not affected by the suspension.

The suspension may also extend to future disaster funds and the National Flood Insurance Program as related to the Kokomo project. The rest of the state is still eligible for future disaster grants and the National Flood Insurance Program.

“We’re not completely surprised by the letter,” said Randy McKay, director of operations for the city, in a phone interview late Thursday. “We’ve been working closely with the state concerning this issue and felt very comfortable where we’re heading with the state. At the end of the day, Gov. [Mike] Pence is very much aware of what’s going on where and the federal overreach isn’t much of surprise to us or the state.”

FEMA determined in late 2014 that the Kokomo baseball stadium was not in compliance. As the grantee, IDHS has been working with the city of Kokomo to resolve compliance issues.

"We hope the state will choose to support the city of Kokomo in our argument that we are in compliance," stated McKay in a later written statement. "We intend to continue our discussion with the state to resolve this matter."

Up to eight parcels that are currently part of the baseball stadium project must be returned to open space, in accordance with FEMA's hazard mitigation grant program regulations. The city of Kokomo applied for and was granted FEMA funds from the grant program to purchase the properties.

IDHS previously issued a letter Nov. 24, 2014, noting the violations and providing a timeline of 60 days for the city to resolve the issues. FEMA's Thursday letter noted that the violations still exist.

"It's something I feared would happen," said State Sen. Jim Buck, R-Kokomo, Thursday of the latest letter. "I hoped it wouldn't happen. I don't know how much of this will be resolved, but I think everybody thought FEMA wasn't serious. ... Evidently it wasn't political, it was very real. We could have resolved this months ago before these monies were spent. I

know at this time of year many communities need those funds, and need them desperately. I'm just very saddened."

Buck's "cease and desist" bill was held Feb. 9 by the House of Representatives' Natural Resources Committee – the first stumble the emergency legislation has seen since it was filed on Jan. 9. The bill, which is sponsored by Reps. Dave Wolkins, R-Winona Lake, and Greg Beumer, R-Modoc, would give the IDHS the authority to issue cease and desist orders.

"I think the Senate took it as a serious challenge and we passed the legislation through quickly," he said. "The House just took it as a normal piece of legislation. They're just sitting on it. ... I was hoping [Mayor Greg Goodnight] would be right that anything's negotiable. At the end of the day I'm glad I tried to do something."

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